

UNITED STATES DISTRICT COURT

for the

Central District of California

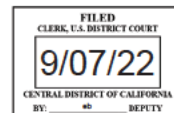
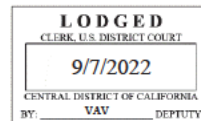
United States of America

v.

ARMAND ION,

Defendant

Case No. 8:22-mj-00614-DUTY



**CRIMINAL COMPLAINT BY TELEPHONE
OR OTHER RELIABLE ELECTRONIC MEANS**

I, the complainant in this case, state that the following is true to the best of my knowledge and belief. Starting at least on or about August 4, 2021, and continuing to at least September 6, 2022, in the counties of Orange and Ventura, in the Central District of California, among other places, the defendant violated:

Code Section

18 U.S.C. § 1349

Offense Description

Conspiracy to Commit Bank Fraud

This criminal complaint is based on these facts:

Please see attached affidavit.☒ Continued on the attached sheet.

/s/

Complainant's signature

Rene Persaud, Special Agent

Printed name and title

Attested to by the applicant in accordance with the requirements of Fed. R. Crim. P. 4.1 by telephone.

Date: September 7, 2022

Judge's signature

City and state: Los Angeles, California

Hon. Margo A. Racconi, U.S. Magistrate Judge

Printed name and title

AFFIDAVIT

I, Rene Persaud being duly sworn, declare and state as follows:

I. PURPOSE OF AFFIDAVIT

1. This affidavit is made in support of a criminal complaint and arrest warrant against ARMAND ION ("ION") for a violation of Title 18, United States Code, Section 1349 (conspiracy to commit bank fraud).

2. The facts set forth in this affidavit are based upon my personal observations; my training and experience; and information obtained from various law enforcement personnel and witnesses. This affidavit is intended to show merely that there is sufficient probable cause for the requested complaint and arrest warrant and does not purport to set forth all of my knowledge of or investigation into this matter. Unless specifically indicated otherwise, all conversations and statements described in this affidavit are related in substance and part only.

II. BACKGROUND OF SPECIAL AGENT PERSAUD

3. I am a Special Agent ("SA") with the Federal Bureau of Investigation ("FBI"), and have been so employed since September 2018. Prior to becoming a SA, I worked for the FBI's Special Surveillance Group for approximately four years. Prior to joining the FBI, I was a Deputy Sheriff for the Hillsborough County (Florida) Sheriff's Office for approximately three years.

4. I have participated in various aspects of criminal enterprise investigations, including but not limited to, conducting surveillance and arrests, issuing subpoenas, seizing and impounding drug evidence, social media analysis, and the analysis of telephone tolls and other data. Additionally, I have interviewed and/or debriefed confidential informants and other witnesses who have had knowledge regarding the investigations in which I have been involved. I have also authored, sworn out, and executed multiple search warrants for various entities, including but not limited to, internet service providers, social media companies, GPS tracking units, and physical residences/businesses.

5. I also have extensive experience investigating Romanian Organized Criminal Groups. I have conducted investigations in the Los Angeles area related to the ATM skimming activity and money laundering, and I have also traveled to Romania on multiple occasions to work with National Police forces in several cities in order to obtain information, coordinate investigations, and identify criminals who travel from Europe to the United States to defraud the American banking system.

6. In addition, I have become knowledgeable about the criminal statutes of the United States, particularly with the law relating to violations of access fraud, bank fraud, and conspiracy statutes. As a result of the foregoing experiences, I have become familiar the common means and methods by which ATM Skimmers communicate, their common patterns of activity, the

types and amounts of profits ATM Skimmers make, and the methods, language, and terms that they use to disguise the source and nature of the profits of ATM Skimming.

III. SUMMARY OF PROBABLE CAUSE

7. ION is a member of a Romanian, Balkan Organized Crime Group ("BOCG"), led by another individual ("Co-Conspirator #1"), and conspired with Co-Conspirator #1 and others to commit bank fraud, primarily through ATM skimming. In August 2021, ION and Co-Conspirator #1 installed a skimming device at Bank of America ATMs in Irvine, California. In September 2021, ION and Co-Conspirator #1 attempted to install skimming devices on Bank of America ATMs in Moorpark, California, and conducted unauthorized withdrawals from victim customer accounts at Bank of America ATMs in Santa Ana, California. Finally, in May 2022, ION installed a skimming device at a point-of-sale terminal in Madera, California.

IV. STATEMENT OF PROBABLE CAUSE

A. Background of Investigation

8. According to information I received from Romanian and Mexican law enforcement:

a. Co-Conspirator #1 is the head of a BOCG operating in the United States, Mexico, and Romania.

b. The BOCG is focused on ATM skimming. Based on my training and experience, I know that ATM Skimming is a type of payment card fraud where an individual places a device (known as a "skimmer") on an ATM machine, and the device records the

payment card data of the cards that are entered into the ATM machine. After using the device to obtain the card information from the victims, the individual will create fake debit or credit cards and steal from the victims' accounts.

c. The BOCG manages the installation of skimming devices in ATM card readers, uses those devices to steal customer credit card and debit numbers and PIN numbers, and then fraudulently withdraws cash from victim customer accounts. Following the commission of these acts, I understand from Romanian law enforcement that the BOCG launders the profits of this fraud, sends the money to Europe, and then smuggles the money to a restaurant owned by Co-Conspirator #1's family in Romania.

B. Access Device Fraud Scheme

9. Based on my training and experience in investigating fraudulent schemes of this nature, I know the following about Access Device Fraud:

a. ATM skimming devices are manually installed at walk-up or drive-thru ATM terminals. The card readers are surreptitiously inserted into the ATM card slots, and are often thin enough to go unnoticed to a lay person using an ATM. In addition to the card reader, another device is installed to obtain the PIN number. This device is often a covert camera that captures customers entering their PIN number.

b. An ATM skimming device is installed for a specified period of time after which the subjects who installed

the device will return to the ATM and remove it. Once the device is removed, the customer credit card numbers and PIN numbers are retrieved from the device. The card numbers are then loaded on to blank cards so the perpetrators can travel to ATMs and fraudulently withdraw funds from victim customer accounts.

10. According to information provided by financial institutions and various law enforcement agencies, it appears that the main target of the BOCG skimming scheme were pre-paid debit cards issued by Bank of America on behalf of the State of California Employment Development Department ("EDD"). These cards are targeted because they are easier to exploit than traditional chip-protected ATM debit cards.

C. August-September 2021: ION Installed ATM Skimmers and Withdrew Money From Victim Accounts

11. Romanian law enforcement identified ION as a potential member of the BOCG ATM-skimming conspiracy in June 2021. As detailed below, I have corroborated this information with surveillance footage from multiple Bank of America ATM cameras that showed ION and Co-Conspirator #1 engaging in ATM skimming activity together since at least August 2021.

12. I also corroborated ION's connection to the BOCG conspiracy through (1) numerous social media posts that showed ION traveling on expensive vacations and social outings with Co-Conspirator #1 and Co-Conspirators #1's wife; (2) photo albums discovered during a federal search warrant executed at a storage unit rented by Co-Conspirator #1's wife that depicted ION posing

with Co-Conspirator #1 and Co-Conspirators #1's wife at a dinner in Las Vegas in July 2021; (3) financial records and interviews associated with the cash purchase of a 2020 Chevrolet Corvette for \$100,130 in Los Angeles in June 2021 by ION and his wife. As explained in further detail below, based on my investigation of that purchase, I believe it was paid for by money derived from fraud.

1) August 2021: ION Conducts ATM Skimming Activity in Irvine, CA

13. I spoke to Investigator Sarah Voight of the Irvine Police Department. Investigator Voight provided me with her investigative reports and still photos from ATM surveillance of a skimming incident in August 2021.

14. According to the report, on or about August 4, 2021, at approximately 6:53 AM, two men were captured on surveillance video installing a skimming device at a Bank of America ATM located at 6356 Irvine Boulevard, Irvine, CA, then departing the area. At approximately 7:15 AM, a third man arrived at the ATM and appeared to check the installation to ensure it was working, then departed the area. At approximately 7:26 AM a fourth man handed a fifth man (later identified as ION, and hereafter referred to as ION) a plastic device equipped with a camera and ION installed the device on a second ATM at the Bank of America.

15. I reviewed the photographs from the ATM camera identifying the fifth man referred to above, one of which is shown below. I was able to identify him as ION based on my comparison of the photographs with numerous photographs obtained

from social media and Romanian Law Enforcement, including the photograph on ION's Romanian Passport.



2) September 2021: ION and Co-Conspirator #1 Conduct ATM Skimming Activity in Moorpark, CA

16. I spoke to Jesse Orozco from the Bank of America Fraud Analytics team. Orozco provided me with still photographs from ATM surveillance of a skimming incident in September 2021.

17. The photographs show that on or about September 1, 2021, at approximately 8:02 AM, two men attempted to install a skimming device at the Bank of America ATMs located at 730 New Los Angeles Ave, Moorpark, CA.

18. I reviewed the photographs from the ATM camera, one of which is shown below, and was able to identify ION as one of the men who attempted to install the skimming device.



Date: 09/01/2021 08:07:26.61
Camera: WU ATM ICAD7919 IP
Event: Surveillance
DVR: MOORPARK-126121

3) September 2021: ION and Co-Conspirator #1 Conduct ATM Skimming Activity in Santa Ana, CA

19. I spoke to Sergeant Luke Johnson of the San Diego Police Department. Sergeant Johnson provided me with investigative reports and still photos from ATM surveillance of a skimming incident in September 2021.

20. According to the report, on or about September 2, 2021, at approximately 7:43 PM, two men were captured on surveillance video conducting unauthorized cash withdrawals from victim customer accounts at Bank of America ATMs located at 3730 S Bristol St, Santa Ana, CA.

21. I reviewed the photographs from the ATM camera, one of which is shown, below, and was able to identify ION and Co-Conspirator #1 as the men conducting unauthorized cash withdrawals.



22. Bank of America provided records regarding the cards used by ION. The records show that three cards were used and funds were unlawfully withdrawn from one card totaling approximately \$300.

4) ION Purchases Chevrolet Corvette with Cash

23. Based on my conversation with employees of and documents obtained from LA City Cars located at 817 North La Brea, Inglewood, California, I know that ION and his wife purchased a red 2020 Chevrolet Corvette for \$100,310, in cash, in June 2021. ION told the employees that he intended to drive the vehicle around California for a few months, then send it to Europe. Given the use of cash for the purchase, that neither ION nor his wife is known to have legal jobs, and that neither is legally authorized

to work in the United States, I believe the funds used to purchase this vehicle were derived from fraud.

5) Co-Conspirator #1 Arrested and Loss Figures Discovered

24. On September 13, 2021, the San Diego Police Department arrested Co-Conspirator #1 and Co-Conspirator #1's wife while they were conducting unauthorized cash withdrawals from victim customer accounts at a Bank of America ATM. On November 30, 2022, the government charged Co-Conspirator #1 and Co-Conspirator #1's wife by Information for violations of Title 18, United States Code, Sections 1344, 1349, and 1028A (Bank Fraud, Conspiracy to Commit Bank Fraud, and Aggravated Identity Theft). Co-Conspirator #1 and Co-Conspirator #1's wife are currently in federal custody pending trial.

25. Based on data provided by Bank of America, and corroborated by photographic evidence depicting ION, Co-Conspirator #1, Co-Conspirator #1's wife, and other individuals conducting ATM skimming activity, I believe that the conspiracy is responsible for a minimum documented loss of approximately \$207,750 through its ATM skimming activities between March 2021 and September 2021.

D. May-September 2022: ION Continues to Conduct Skimming Activity After Co-Conspirator #1's Arrest

1) May 2022: ION and Unknown Individuals Install ATM Skimmer in Madera, CA

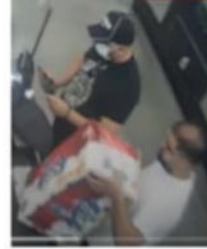
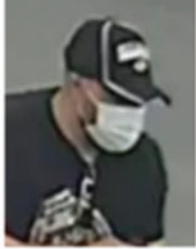
26. I spoke to Detective Jacob Dunn of the Madera Police Department. Detective Dunn provided me with investigative

reports and still photos from surveillance video of a skimming incident in May 2022.

27. According to the report, on or about May 14, 2022, at approximately 12:18 PM, three individuals were captured on surveillance video installing a Point-of-Sale Skimmer at the Rancho San Miguel Market located at 1410 Yosemite Avenue East, Madera, CA. The skimmer was discovered on May 15, 2022, at approximately 7:18 PM when a customer's card broke while trying to use the Point-of-Sale terminal.

a. Based on my training and experience, I know that a Point-of-Sale Skimmer is a skimming device that is capable of being placed over the top of a Point-of-Sale terminal inside a retail establishment. Like traditional ATM Skimming devices, these Point-of-Sale Skimmers collect ATM card numbers from victims as they swipe their card at the terminal, and a Pinhole camera captures the victim entering their PIN number into the keypad.

28. I reviewed the photographs from the surveillance video of the three individuals who installed the Point-of-Sale Skimmer, four of which are shown, below. I was able to identify ION as one of the three men based on my comparison of the surveillance photographs with the other photographs of ION discussed above.



2) ION's Travel and Phone Calls Indicate Ongoing Fraud in Multiple States

29. In my training and experience, members of Romanian ATM skimming crews know that they will be photographed committing their crimes at ATMs, and know that law enforcement will look for them after enough victims in a given area complain about having been defrauded. Their primary means of escaping arrest and prosecution is to maintain a nomadic lifestyle in which they frequently switch rental cars and temporary residences, such as Airbnb's, in order to stay ahead of law enforcement. Typically, they will rotate their crimes through different cities, states, and even countries. Some actually "confess" if caught by the local police red-handed, but claim it was their "first time" in order to secure a low bail amount, so they can skip out on it with little cost.

30. In the case of ION, he fled to Houston, Texas following the arrest of Co-Conspirator #1 and Co-Conspirator #1's wife in September 2021. After further investigation, I was able to identify an address in Houston where ION resided as recently as April 2022.

31. Based on my review of records provided by T-Mobile for ION's known cell phone, ION has made 1,516 calls to the

Electronic Benefit Transfer ("EBT") card phone lines for eight different states in the past three months.¹ Specifically, between July 18 and September 3, 2022, ION called the California EBT card line 665 times, the Massachusetts EBT card line 396 times, the Washington state EBT card line 233 times, the New York EBT card line 128 times, the Texas EBT card line 74 times, the Pennsylvania EBT card line 14 times, the Maryland EBT card line 4 times, and the Kentucky EBT card line twice. Based on my knowledge of fraud practices, the 1,516 calls to EBT card phone lines were likely attempts by ION to check the balance of stolen credit card numbers.

32. Based on information from a warrant for historical and prospective cellphone location information, issued by the Honorable Magistrate Judge Gail J. Standish on August 16, 2022, I learned that ION appears to be residing in Baltimore, Maryland. The location information also showed that, between August 16, 2022, and September 6, 2022, ION made trips to various cities in Virginia, Delaware, New York, New Jersey, and Connecticut. Based on my training and experience and my knowledge of the fraud at issue in this investigation, these frequent short trips were likely attempts by ION to avoid detection from local law enforcement across multiple jurisdictions while conducting ATM skimming activity.

¹ An EBT card is a debit card that is preloaded with state public assistance funds. An EBT card can be used to make purchases at certain retail stores and can also be used to withdraw cash from ATMs.

V. CONCLUSION

33. For all of the reasons described above, there is probable cause to believe that ION has committed a violation of Title 18, United States Code, Section 1349 (conspiracy to commit bank fraud).

Attested to by the applicant in
accordance with the requirements
of Fed. R. Crim. P. 4.1 by
telephone on this 7th day of
Sept. , 2022.



HON. MARGO A. ROCCONI
UNITED STATES MAGISTRATE JUDGE